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By: **Senator Colburn**  
Introduced and read first time: March 3, 2003  
Assigned to: Rules

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A BILL ENTITLED

1 AN ACT concerning

2 **Janet L. Hoffman Loan Assistance Repayment Program - Physician**  
3 **Assistants**

4 FOR the purpose of requiring the Office of Student Financial Assistance to assist  
5 certain physician assistants in the repayment of certain higher education loans;  
6 providing that a physician assistant is not precluded from qualifying for loan  
7 repayment assistance under a certain provision of law; providing that unspent  
8 portions of certain funds may not be transferred to or revert to the General Fund  
9 of the State but require that the funds remain in the Loan Assistance  
10 Repayment Program fund to administer the programs to assist certain  
11 physician assistants; altering the percentage of fees the State Comptroller is  
12 required to distribute to the General Fund of the State and that was received  
13 from the State Board of Physician Quality Assurance from physician assistant  
14 related services; requiring the Comptroller to distribute a certain percentage of  
15 certain fees to the Loan Assistance Repayment Program to assist physician  
16 assistants engaged in primary care to repay certain loans under certain  
17 circumstances; and generally relating to establishing a program to assist  
18 physician assistants in the repayment of loans under the Janet L. Hoffman Loan  
19 Assistance Repayment Program.

20 BY repealing and reenacting, with amendments,  
21 Article - Education  
22 Section 18-1502  
23 Annotated Code of Maryland  
24 (2001 Replacement Volume and 2002 Supplement)

25 BY repealing and reenacting, with amendments,  
26 Article - Health Occupations  
27 Section 15-206  
28 Annotated Code of Maryland  
29 (2000 Replacement Volume and 2002 Supplement)

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
31 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Education**

2 18-1502.

3 (a) There is a program of loan assistance repayment known as the Janet L.  
4 Hoffman Loan Assistance Repayment Program in the State.

5 (b) Subject to the provisions of subsection (c) AND (D) of this section, the Office  
6 of Student Financial Assistance shall assist in the repayment of the amount of any  
7 higher education loan owed by an individual who:

8 (1) Receives a graduate, professional, or undergraduate degree from:

9 (i) A college or university in the State of Maryland;

10 (ii) A school of medicine; or

11 (iii) A school of law;

12 (2) Obtains eligible employment;

13 (3) Receives an income that is less than the maximum eligible total  
14 income levels established by the Office, including any additional sources of income;  
15 and

16 (4) Satisfies any other criteria established by the Office.

17 (c) (1) Notwithstanding the provisions of subsection (b) of this section, the  
18 Office shall assist in the repayment of the amount of any higher education loan owed  
19 by a physician who engages in primary care in the State or by a medical resident  
20 specializing in primary care who agrees to practice for at least 2 years as a primary  
21 care physician in a geographic area of the State that has been designated by the  
22 Secretary of Health and Mental Hygiene as being medically underserved with the  
23 funds transferred to the Office by the Comptroller under § 14-207(c)(2)(i) of the  
24 Health Occupations Article.

25 (2) A physician who engages in primary care is not precluded from  
26 receiving assistance from the Office under subsection (b) of this section.

27 (3) Any unspent portions of the money that is transferred to the Office  
28 for use under this section from the Physician Quality Assurance Fund may not be  
29 transferred to or revert to the General Fund of the State, but shall remain in the  
30 Fund maintained by the Office to administer these programs to assist physicians  
31 engaged in primary care as specified in paragraph (1) of this subsection.

32 (D) (1) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B) OF THIS  
33 SECTION, THE OFFICE SHALL ASSIST IN THE REPAYMENT OF THE AMOUNT OF ANY  
34 HIGHER EDUCATION LOAN OWED BY A PHYSICIAN ASSISTANT WHO ENGAGES IN  
35 PRIMARY CARE IN THE STATE WHO AGREES TO PRACTICE FOR AT LEAST 2 YEARS AS  
36 A PRIMARY CARE PHYSICIAN ASSISTANT IN A GEOGRAPHIC AREA OF THE STATE

1 THAT HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL  
 2 HYGIENE AS BEING MEDICALLY UNDERSERVED WITH THE FUNDS TRANSFERRED TO  
 3 THE OFFICE BY THE COMPTROLLER UNDER § 15-206(C)(2) OF THE HEALTH  
 4 OCCUPATIONS ARTICLE.

5 (2) A PHYSICIAN ASSISTANT WHO ENGAGES IN PRIMARY CARE IS NOT  
 6 PRECLUDED FROM RECEIVING ASSISTANCE FROM THE OFFICE UNDER SUBSECTION  
 7 (B) OF THIS SECTION.

8 (3) ANY UNSPENT PORTIONS OF THE MONEY THAT ARE TRANSFERRED  
 9 TO THE OFFICE FOR USE UNDER THIS SECTION FROM THE FUNDS COLLECTED  
 10 UNDER TITLE 15 OF THE HEALTH OCCUPATIONS ARTICLE MAY NOT BE  
 11 TRANSFERRED TO OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL  
 12 REMAIN IN THE FUND MAINTAINED BY THE OFFICE TO ADMINISTER THESE  
 13 PROGRAMS TO ASSIST PHYSICIAN ASSISTANTS ENGAGED IN PRIMARY CARE AS  
 14 SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION.

15 [(d)] (E) An applicant for assistance in the repayment of a commercial loan  
 16 shall demonstrate to the Office that the commercial loan was used for tuition,  
 17 educational expenses, or living expenses for graduate or undergraduate study.

18 [(e)] (F) Assistance in the repayment of a loan from an entity set forth in §  
 19 18-1501(c)(2) of this subtitle shall require the approval of the Office.

20 **Article - Health Occupations**

21 15-206.

22 (a) The Board shall set reasonable fees for:

23 (1) The issuance and renewal of certificates; and

24 (2) The other services rendered by the Board in connection with  
 25 physician assistants.

26 (b) The Board shall pay all funds collected under this title to the Comptroller  
 27 of the State.

28 (c) The Comptroller shall distribute:

29 (1) [20] 13 percent of the fees received from the Board to the General  
 30 Fund of the State; [and]

31 (2) 7 PERCENT OF THE FEES RECEIVED FROM THE BOARD TO MAKE  
 32 GRANTS UNDER THE JANET L. HOFFMAN LOAN ASSISTANCE REPAYMENT PROGRAM  
 33 UNDER § 18-1502(D) OF THE EDUCATION ARTICLE TO PHYSICIAN ASSISTANTS  
 34 ENGAGED IN PRIMARY CARE WHO AGREE TO PRACTICE FOR AT LEAST 2 YEARS AS A  
 35 PRIMARY CARE PHYSICIAN ASSISTANT IN A GEOGRAPHIC AREA OF THE STATE THAT  
 36 HAS BEEN DESIGNATED BY THE SECRETARY OF HEALTH AND MENTAL HYGIENE AS  
 37 BEING MEDICALLY UNDERSERVED; AND

1                   (3)       The balance of the fees to the State Board of Physician Quality  
2 Assurance Fund.

3       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 July 1, 2003.